(b) what are the details of such directions given to banks in the year 1992-93 to assist technocrats in the revival of sick units ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) No, Sir. However, the detailed guidelines issued by Reserve Bank of India regarding formulation and implementation of rehabilitation packages in respect of sick and weak industrial units considered potentially viable, inter-alia, provide that in a rehabilitation proposal promoters' contribution shall be a minimum of 20 per cent for change in management, professional and technocrat managements and 30 per cent in other cases.

Reduction of Loans by Andhra Pradesh

1651. SHRI V. HANUMANTHA RAO : Will the Minister of FINANCE be pleased to state :

(a) wheher Government are aware that Andhra Bank has reduced the loans to the poorer sections of the society in Andhra Pradesh during the year 1992-93; and

(b) whether Government have given any directions to Andhra Bank to reduce loans to the poor and self-employed artisans of Andhra Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) In terms of Reserve Bank of India's guidelines, all Indian banks, including Andhra Bank, are required to extend atleast 10% of their total credit to weaker sections. However, no state-wise target in this regard has been stipulated. As on 31st March 1992, there were 948 branches of Andhra Bank out of which 739 branches i.e. 78% of the total branches, were in Andhra Pradesh. Against the target of 10% referred to above the performance of Andhra Bank as a whole in the matter of extending credit assistance to weaker sections, including poor and self-employed artisans, is as under :

No. of Accounts in lakhs

(Rs. in Crores)

As at the end of	No. of Accounts	Amount Outstanding	Percentage of advances to weaker sections to total credit
March, 1992	5·28	192·50	10·23
September, 1992 (Latest Available)	5·46	201·32	11·00

From the above table, it may be observed that credit flow to weaker sections through Andhra Bank in the country, including Andhra Pradesh, has increased during the current financial year as compared to the previous year 1991-92.

Import of Credit Squeeze on Weaker Sections

1652. SHRI V. HANUMANTHA RAO : Will the Minister of FINANCE be plensed to state :

(a) whether government have studied the import of credit squeeze by nationalised banks on the weaker sections of the society; and

(b) whether there are any proposals to receive the concept of "Loan Melas" to meet the financial needs of artisans and self-employed people ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) In terms of Reserve Bank of India's guidelines, all Indian banks, including public sector banks, are required to extend at least 10% of their

total credit to weaker sections. Against the above target the performance of public sector banks in the matter of extending credit assistance to weaker sections is as under :

(Rs. in Crores)

As at the end of	Amount of Outstanding Advances	Percentage of advances to weaker sections to total credit
March, 1992	10881·41	9·70
September 1992 (latest available)	11042·81	9·39

From the above position it will be observed that while the credit flow to weaker sections in terms of percentage has marginally declined the outstanding amount in absolute terms has gone up considerably. Nevertheless, in a review held in September 1992, all banks have been advised by the Government to take necessary steps to achieve the stipulated target of 10% for weaker sections.

(b) Government and Reserve Bank of India have not formulated any scheme for distribution of loans by public sector banks in credit camps under the scheme of Integrated Rural Development Programme (IRDP), the camps are organised to achieve effective coordination between banks and Government agencies where beneficiaries can represent and get their applications processed expeditiously. The public sector banks may organise credit camps on their own as a part of their overall measures taken to bring about accelerated credit assistance to weaker sections.

IMF convassing for import of consumer goods

1653. SHRI SUKOMAL SEN :
SHRI SUNIL BASU RAY :

Will the Minister of FINANCE be pleased to state :

(a) whether IMF is convassing for the import of consumer goods out of foreign exchange income by exporters;

(b) if so, whether Government will consider the suggestion; and

(c) if so, how much of the foreign exchange earnings may be allowed for such import ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) No, Sir.

(b) and (c) Do not arise.

Writing off of Dead Accounts

1654. SHRI M. A. BABY :
SHRI SUNIL BASU RAY :

Will the Minister of FINANCE be pleased to state :

(a) whether nationalised banks are allowed to write off dead accounts; and

(b) if so, what principles are adopted for such writing off of dead accounts by banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) The information is being collected and will be laid on the Table of the House.

Loan Racket in SBI Faridabad

1655. SHRI VIREN J. SHAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a report published in the Indian Express of the 4th January, 1993 captioned "Loan Racket in Faridabad SBI";

(b) if so, whether it is a fact that massive loan racket has been going on for years at the main branch of SBI, Faridabad in connivance with the employees of the bank;

(c) what are the details of the irregularities committed in respect of term loans during each of the last five years; and

(d) what steps Government have taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) Information is being collected and will be laid on the Table of the House.